

(b) to (f). The Enforcement Directorate has undertaken investigations under the provisions of Foreign Exchange Regulation Act, 1973 against two such companies viz M/s. I.T.C. Ltd. and M/s Shaw Wallace & Co. These investigations are continuing.

[English]

Production of Hank Yarn

427. SHRI SHARAD PAWAR : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government of Maharashtra has sent a proposal to exempt the Co-op. Spinning Mills from the obligation of 50% of their production of Yarn in hank form under the Textile (control) Order, 1986.

(b) whether the State Government assured that Co-op. Spinning Mills in Maharashtra will ensure adequate supply of hank yarn to the handloom weavers in the State;

(c) if so, the reaction of Government thereto; and

(d) the time by which the exemption is likely to be given?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) Yes, Sir.

(b) Yes, Sir.

(c) and (d). In fact reduction in the hank yarn obligation from 50% to about 29% only had been requested. The same was considered and it was decided that reduction in the obligation from 50% to a lower level is not possible as this will dilute the efforts made by the Government of India to provide adequate yarn to the handloom weavers.

Seizure of Fraudulent Claims of Insurance By C.B.I.

428. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn towards the newsitem appearing in "Hindustan Times" dated October 17, 1996 under the caption "Insurance Racket Unearthed";

(b) if so, the details of files found missing from the divisional office of the Oriental Insurance Company till date;

(c) the details of fraudulent claims settled during each of the last three years and the amount involved therein;

(d) whether Government have received any complaints of corruption against the officials of the Insurance Company during the above period;

(e) if so, the detail thereof; and

(f) the action taken thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (f). The Oriental Insurance Company Limited (OIC) have reported to have received an FIR from CBI, Jammu alleging a criminal conspiracy by some Officers/ Officials of Oriental, Srinagar to defraud the company by removing claim files from the Divisional Office to a residential building in Srinagar. 204 files were reportedly collected by CBI by raiding the house at Srinagar. OIC have intimated that 200 more files were collected by CBI from the Divisional Office of Oriental. The company is in touch with CBI to get the results of its investigation where-after the extent of fraud committed would be known as also persons involved, making the consequential actions to follow. However, vigilance clearance in respect of an accused Officer who retired w.e.f. 31.8.1996 and opted for pension, has been withheld.

National Renewal Fund

429. KUMARI SUSHILA TIRIYA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the National Renewal Fund is facing paucity of funds;

(b) if so, the reasons thereof;

(c) whether allocation for National Renewal Fund is steadily coming down and renewal programmes referred to it have been pending for long;

(d) if so, the reasons therefor;

(e) the details and the present status of pending proposals with their financial implications and availability of funds under NRF; and

(f) the details of funds sought by various State Governments with particular reference to Maharashtra under NRF as per pending proposals and action proposed thereon?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). National Renewal Fund is not facing a paucity of funds to finance schemes permitted so far, i.e. Voluntary Retirement Scheme for Central Public Sector Undertakings and Scheme for workers counselling, retraining and redeployment.

(c) and (d). Budget allocation for National Renewal Fund has been declining but no proposals within the permissible schemes have been pending for long.

(e) and (f). The department have received proposals from State Governments amounting to Rs. 407.86 crores, including the proposals from the State Government of Maharashtra amounting to Rs. 74.83 crores. However, the assistance from the National Renewal Fund is presently restricted to Central Public Sector Undertakings.